

Fiscal Services Division

Legislative Services Agency

Fiscal Note

HF 2128 – Insurance Mandate Commission (LSB 5301 HH)

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Fiscal Note Version – New

Requested by Representative Tyler Olson

Description

House File 2128 creates a 14-member State Health Insurance Mandate Commission to be chaired by the Iowa Commissioner of Insurance or the Commissioner's designee. The Commission will be responsible for the review and evaluation of all proposed bills that require a mandated health benefit be offered in all individual or group hospital or health care service contracts in Iowa. The Commission is required to provide a written report to the Speaker of the House and the President of the Senate within 90 days of receiving a request from a standing committee chair. The Bill provides for the details to be included in the report including recommendations and fiscal and social impact. A bill that requires a review by the Commission cannot be voted out of a legislative standing committee until the report is received. The Iowa Commissioner of Insurance will propose a budget for the Commission for the first year of operation starting on or after July 1, 2009, and subject to the approval of the Commission.

Assumptions

1. The Commission will convene to evaluate at least fifteen bills per fiscal year.
2. Ten hours of external, qualified actuarial expertise will be required per review at an average cost of \$225 per hour for a total of \$33,750.
3. Fourteen members will receive the General Assembly per diem rate of \$80 per day for a total of \$16,800.
4. Fourteen members will travel 200 miles each for fifteen meetings at \$0.39 per mile for a total estimated cost of \$16,380.
5. The Insurance Division of the Department of Commerce will provide administrative support for Commission hearing, meetings, and other functions at an estimated cost of \$1,000 per fiscal year.

Fiscal Impact

House File 2128 is estimated to increase General Fund expenditures by \$67,930 for FY 2009 and subsequent fiscal years.

Sources

Iowa Insurance Division
Legislative Services Agency

/s/ Holly M. Lyons

March 5, 2008

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.
